Targeting Industries for Growth

technology@breakfast

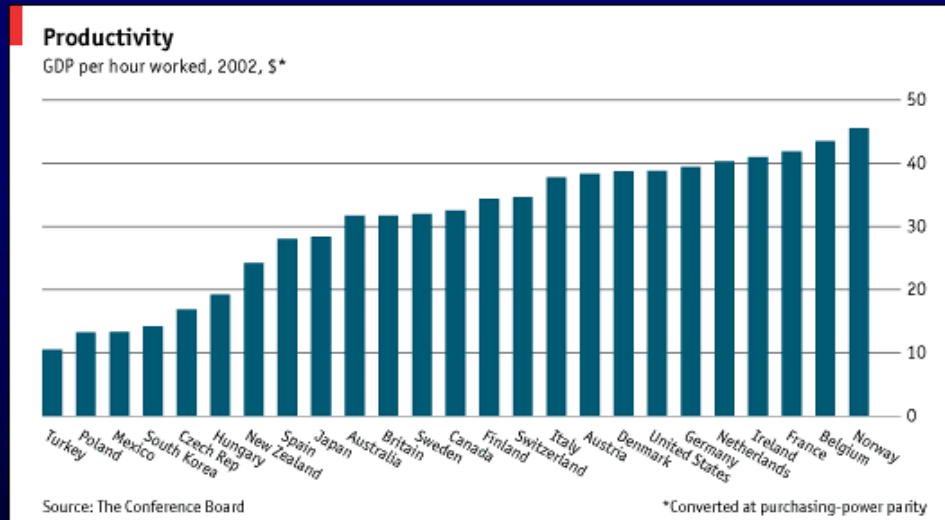3/25/2005

Martin Frey
Director

Division of Business & Economic Development

Our mission is to create jobs that raise the standard of living of Utah's citizens by enabling our companies to be successful

Collaborating to Compete in the New Economy
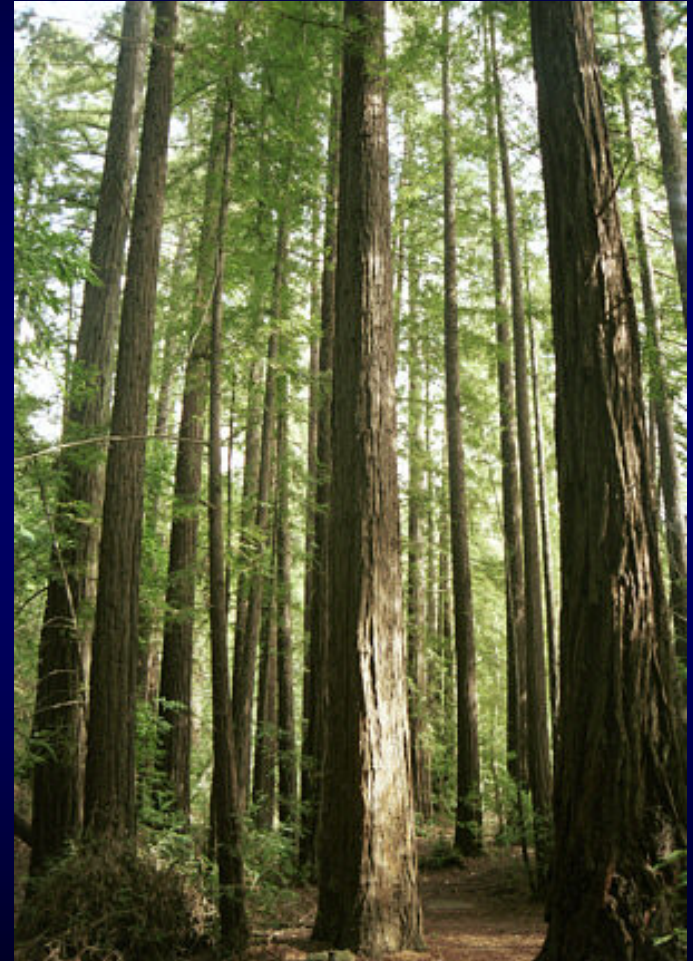
"Productivity Drives Company Success"

Productivity
GDP per hour worked, 2002, $*

Turkey, Poland, Mexico, South Korea, Czech Rep, Hungary, New Zealand, Spain, Japan, Australia, Britain, Sweden, Canada, Finland, Switzerland, Italy, Austria, Denmark, United States, Germany, Netherlands, Ireland, France, Belgium, Norway

Source: The Conference Board

*Converted at purchasing-power parity
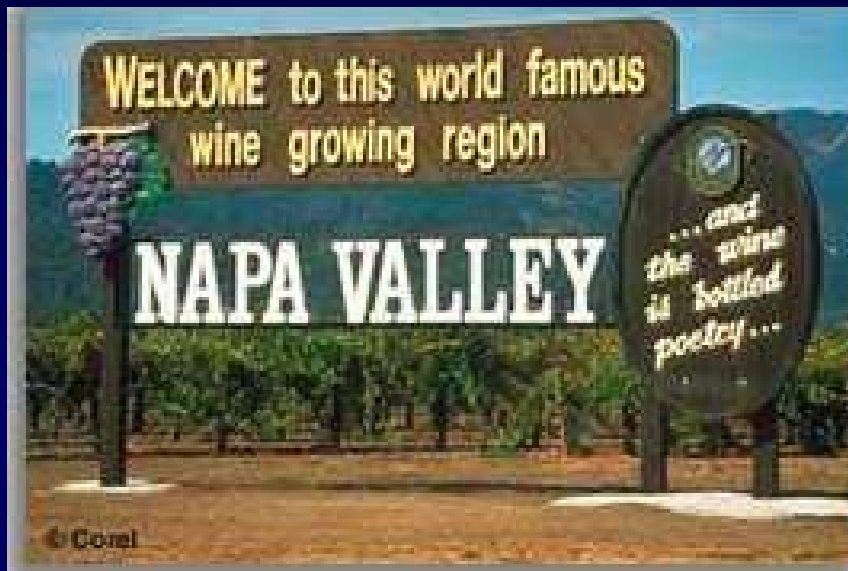
"Collaboration Drives Productivity"

Clusters: Successful Collaboration

- Companies that have developed symbiotic relationships

- Ongoing "Coopetition"

- Michael Porter
  – Location is "the" key competitive advantage

Successful Clusters

A Cluster is Not

- An Industry
- University laboratory
- Center of Excellence
- Individual company
- Solely technology-based

Why Clusters are Crucial for Utah

- Exponentially accelerate economic growth
  - Creates new products that drive Utah's manufacturing
  - Each manufacturing job creates 4.2 additional jobs

- Positions Utah with strategic & competitive advantages

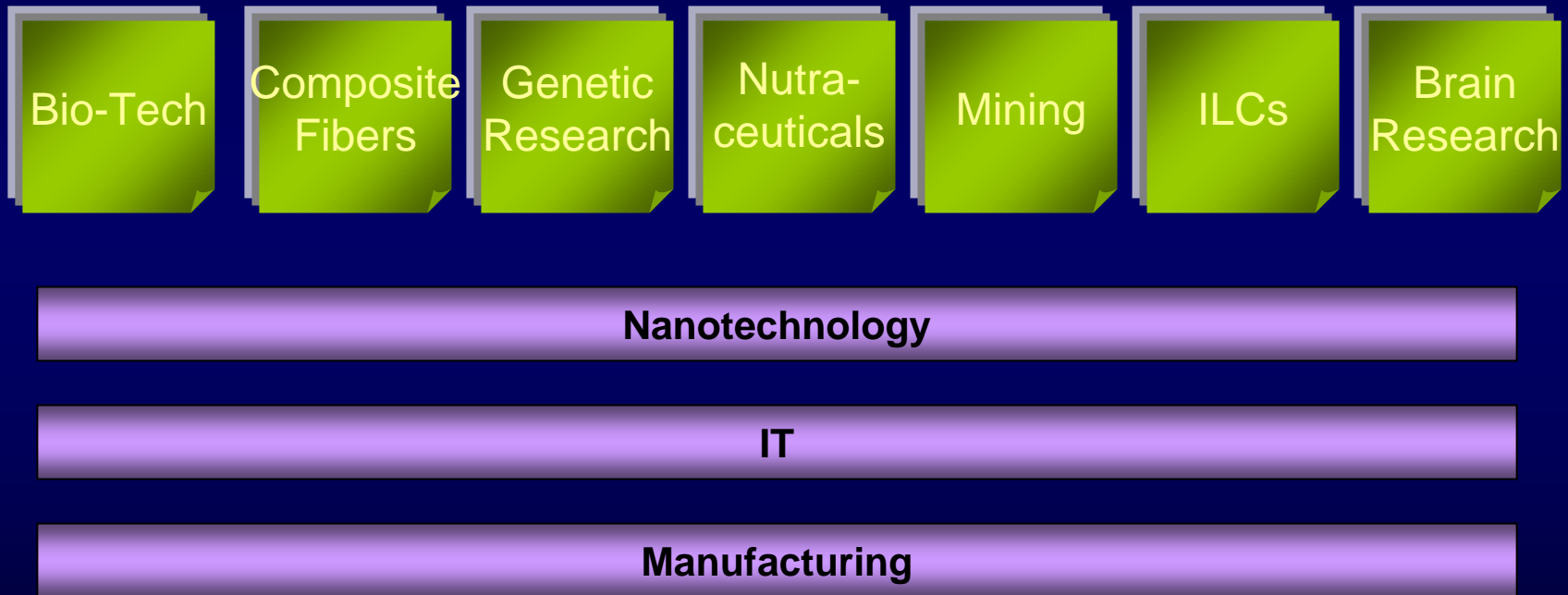- Elevates recognition of collective entities

Potential Utah Clusters

- Genetic Research
- Neuroscience
- Composites Design & Mfg.
- Microbial Engineering
- Electro Mechanical Systems
- Advanced Nutritional Research
- Infectious Diseases
- Water, Watershed, Weather
- Pharmaceutical Research & Testing
- Web Services / Hosting
- Call Centers
- Systems Simulation / Modeling
- Alternative Energy
- Biomedical Industry
- Internet Security
- Outsourcing

- Distribution Centers
- Aerospace Manufacturing
- Nutraceuticles
- Industrial Loan Corporations
- Film Production & Digital Media
- Nanotechnology
- Friction Stir Welding
- Defense Contractors
- High Tech Communications
- GIS Mapping
- Ethics
- Linguistics
- Energy
- Mining
- Skiing & Outdoor Recreation
- System-on-a-Chip
- Video Games

Cluster Relationships

Bio-Tech	Composite Fibers	Genetic Research	Nutra-ceuticals	Mining	ILCs	Brain Research

Nanotechnology

IT

Manufacturing

Our Approach to Cluster Development

Vision:

Enable Utah to be best in class in key targeted industries

Objective:

A) Establish consensus on targeted industries

B) Drive cluster strategy, alignment, and development

Cluster Development Process

Build on previous initiatives
- Review studies, and benchmark other states

Combine inputs and define selection criteria
- Companies, SAC, UTIC, Universities, UITA, ULSA. AAEA, and other vested parties
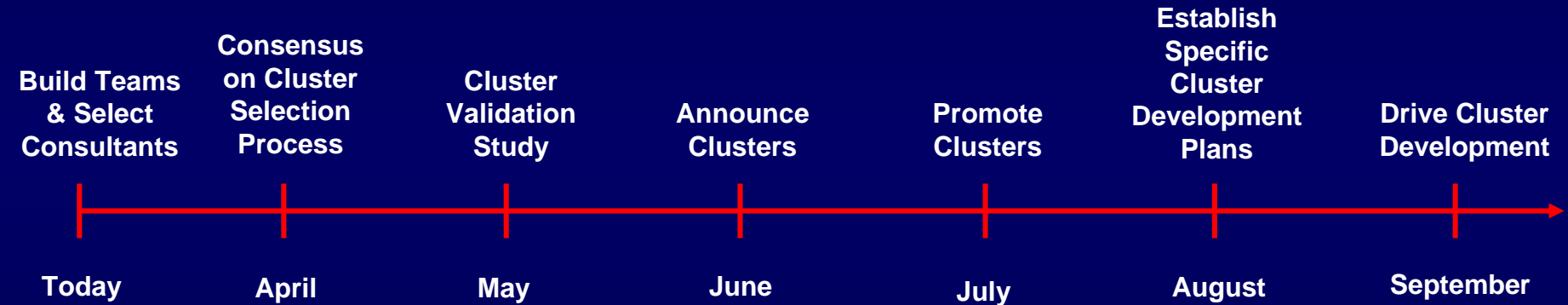
Conduct our selection process
- Conduct final validation studies
- Ensure consensus
- Announce and promote clusters

Establish a development strategy for each cluster
- Define industry trends & Utah's key assets
- Ensure alignment of universities, industry, & government
- Drive development initiatives

Proposed Cluster Development Timeline

Build Teams & Select Consultants — Today

Consensus on Cluster Selection Process — April

Cluster Validation Study — May

Announce Clusters — June

Promote Clusters — July

Establish Specific Cluster Development Plans — August

Drive Cluster Development — September

Cluster Blog

UTAH'S CLUSTER INITIATIVE

Wednesday, March 23, 2005

Targeting Industries for Growth

What is Utah's Cluster Initiative?

Establishing clusters enables Utah companies to better leverage our regional strengths and global market opportunities to help build and sustain economic growth in key targeted areas.

Clusters can cohesively align businesses, research, ideas, capital, workforce, education and government around core competencies and inherant resources.

Our vision is to enable Utah to be best in class in key targeted industries or clusters

To accomplish this vision we have two key objectives:
A) Establish consensus on select targeted industries
B) Drive cluster strategy, alignment, and development

Utah's approach to cluster development is currently underway and involves the following:

1) Review our previous studies and benchmark other states

About This Blog

The latest news on Utah's Economic Development Clusters.

Draft Clusters

- General Cluster Discussion
  - Composite Design and Manufacturing
  - Defense Contracting
  - Industrial Loan Corporations
  - Infectious Diseases
  - Linguistics
  - Mining
  - Neuroscience
  - Water, Watershed, Weather

<<	**March 2005**					>>
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6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26

We Welcome Your Involvement

Input: clusters@utah.gov

Info: http://dced.utah.gov/clustersblog

Lead or join a cluster team:

Discussion
and
Questions